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Honolulu, Hawaii

APR 05 2019

RE: H.B. No. 543
H.D. 1
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committees on Judiciary and Ways and Means, to which was referred H.B. No. 543, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Direct the Hawaii Housing Finance and Development Corporation to initiate negotiations and exercise its power of eminent domain to acquire the Front Street Apartments affordable housing project on Maui; and
- (2) Extend the deadline to complete the Leialii affordable housing project on Maui.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; Office of the Mayor of the County of Maui; County of Maui Department of Housing and Human Concerns; O'ahu County Democrats Legislative Priorities Committee; West Maui Taxpayers Association, Inc.; LahainaTown Action Committee; Maui Chamber of Commerce; ILWU Local 142; one member of the Maui County Council; and seven individuals. Your Committees received comments on this measure from Front Street Affordable Housing Partners.



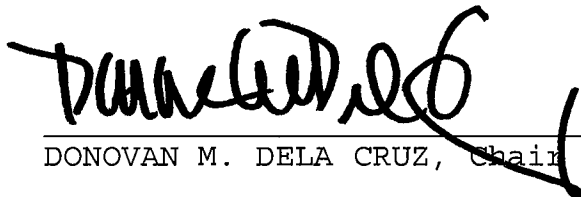
Your Committees find that the Front Street Apartments project on the island of Maui provides affordable housing to more than 250 low-income residents and was developed using state financing and state tax credits in 2001 as an affordable rental housing project. Units in the Front Street Apartments were expected to remain affordable to low-income tenants for fifty years; however, the owners of the project have chosen to remove the project from the affordability requirements, thereby allowing them to rent out units at market rates and to raise rents for existing tenants. Your Committees believe that with the severe lack of affordable rentals in the State, the State needs to find ways to ensure that affordable rental units remain affordable for residents.

Your Committees additionally find that Act 150, Session Laws of Hawaii 2018 (Act 150), appropriated funds to construct the Leialii affordable housing project. Your Committees also find that while development activities and expenditures have begun, construction may not be finished by the time provided in Act 150.

This measure will ensure the continued availability of affordable rental housing on the island of Maui by requiring the acquisition of the Front Street Apartments and extending the deadline for completion of the Leialii affordable housing project.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 543, H.D. 1, S.D. 1, and recommend that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committees on Judiciary and
Ways and Means,


DONOVAN M. DELA CRUZ, Chair


KARL RHOADS, Chair



The Senate
Thirtieth Legislature
State of Hawai'i


Record of Votes
Committee on Judiciary
JDC

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|---|--|-------------------------|------------|----------------|
| Bill / Resolution No.:* HB 543 HD1SD1 | Committee Referral: HOU, JDC/WAM | Date: 4/13/19 | | |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div> | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| RHOADS, Karl (C) | ✓ | | | |
| WAKAI, Glenn (VC) | ✓ | | | |
| GABBARD, Mike | ✓ | | | |
| KIM, Donna Mercado | ✓ | | | |
| FEVELLA, Kurt | ✓ | | | |
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| TOTAL | 3 | 0 | 0 | 0 |
| Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div> | | | | |
| Chair's or Designee's Signature: _____ | | | | |
| Distribution: <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div> | | | | |

***Only one measure per Record of Votes**

The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

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|--|--|---|
| Bill / Resolution No.:* | Committee Referral: | Date: |
| HB543 HDI SDI | HOU, JPC/WAM | 4/3/19 |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | |
| The Recommendation is: | | |
| <input checked="" type="checkbox"/> Pass, unamended 2312 | <input type="checkbox"/> Pass, with amendments 2311 | <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 |
| Members | Aye | Aye (WR) |
| Nay | Excused | |
| DELA CRUZ, Donovan M. (C) | X | |
| KEITH-AGARAN, Gilbert S.C. (VC) | X | |
| ENGLISH, J. Kalani | | X |
| HARIMOTO, Breene | | X |
| INOUE, Lorraine R. | X | |
| KAHELE, Kaiali'i | | X |
| KANUHA, Dru Mamo | X | |
| KIDANI, Michelle N. | X | |
| MORIWAKI, Sharon Y. | X | |
| RIVIERE, Gil | X | |
| SHIMABUKURO, Maile S.L. | X | |
| TANIGUCHI, Brian T. | X | |
| FEVELLA, Kurt | X | |
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| TOTAL | 10 | 3 |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | |
| Chair's or Designee's Signature:  | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | |

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